WASHINGTON METROPOLITAN AREA TRANSIT COMMISSION

WASHINGTON, DC

ORDER NO. 7200

IN THE MATTER OF:

ADVANCE CARE SERVICES, INC.,

WMATC Carrier No. 549,

Investigation of Unauthorized

Served May 21, 2003

Case No. MP-2003-46

Operations and Order to Show Cause)

This investigation is being initiated to determine whether respondent operated while Certificate No. 549 was invalid, and if so, whether a civil forfeiture should be assessed, and whether Certificate of Authority No. 549 should be suspended or revoked, as a result.

Article XI, Section 6(a), of the Compact states that a person may not engage in transportation subject to the Compact unless there is in force a certificate of authority issued by the Commission authorizing the person to engage in that transportation. Article XI, Section 7(g), of the Compact states that a certificate of authority is not valid unless the holder is in compliance with the insurance requirements of the Commission.

Commission Regulation No. 58 requires respondent to insure the revenue vehicles operated under Certificate No. 549 for a minimum of \$1.5 million in combined-single-limit liability coverage and maintain on file with the Commission at all times proof of coverage in the form of a WMATC Certificate of Insurance and Policy Endorsement (WMATC Insurance Endorsement) for each policy comprising the minimum.

Certificate No. 549 was rendered invalid on February 4, 2003, when the \$1.5 million primary WMATC Insurance Endorsement on file for respondent terminated without replacement. Order No. 7023, served February 6, 2003, directed respondent to not transport passengers for hire under Certificate No. 549, unless and until otherwise ordered by the Commission. Respondent filed a new \$1.5 million primary WMATC Insurance Endorsement on March 13, 2003, and Certificate No. 549 was reinstated on March 14, 2003, pursuant to Order No. 7090. Consequently, it would have been unlawful for respondent to operate in the Metropolitan District from February 4, 2003, to March 14, 2003.

On April 17, 2003, the Commission received from the District of Columbia Department of Health, Medical Assistance Administration,

¹ Coverage under the replacement endorsement is effective February 26, 2003.

evidence of claims submitted by respondent for transportation performed in the Metropolitan District during the period Certificate No. 549 was invalid. The specific dates are February 4-8, 10-15, 17-22, and 24-28 of this year.

Under Article XIII, Section 6(f), of the Compact, a person who knowingly and willfully violates a provision of the Compact, or a regulation or order issued under it, shall be subject to a civil forfeiture of not more than \$1,000 for the first violation and not more than \$5,000 for any subsequent violation; each day of the violation constitutes a separate violation.

Pursuant to Article XI, Section 10(c), of the Compact, the Commission, after notice and hearing, may suspend or revoke a certificate of authority for a carrier's willful failure to comply with a provision of the Compact or an order or regulation of the Commission.

Respondent shall have thirty days to show cause why the Commission should not assess a civil forfeiture against respondent, and/or suspend or revoke Certificate No. 549, for conducting operations under an invalid certificate of authority in violation of Article XI, Section 6(a), of the Compact and Order No. 7023.

THEREFORE, IT IS ORDERED:

- 1. That an investigation of respondent is hereby initiated under Article XIII, Section 1, of the Compact.
- 2. That respondent shall have thirty days to show cause why the Commission should not assess a civil forfeiture against respondent for knowingly and willfully violating Article XI, Section 6(a), of the Compact and Commission Order No. 7023.
- 3. That respondent shall have thirty days to show cause why the Commission should not suspend or revoke Certificate No. 549 for respondent's willful failure to comply with Article XI, Section 6(a), of the Compact and Commission Order No. 7023.
- 4. That respondent may submit within 15 days from the date of this order a written request for oral hearing, specifying the grounds for the request, describing the evidence to be adduced and explaining why such evidence cannot be adduced without an oral hearing.

BY DIRECTION OF THE COMMISSION; COMMISSIONERS YATES, MILLER, AND MCDONALD:

William H. McGilvery Executive Director